

STATIONARY SOURCE PERMIT TO OPERATE

This permit supersedes the permit dated August 17, 2005.

In compliance with the Federal Clean Air Act and the Commonwealth of Virginia Regulations for the Control and Abatement of Air Pollution,

Allied Terminals, Inc.
PO Box 717
Norfolk, Virginia 23501
Registration No.: 60069
AFS Id. No.: 51-550-00017

is authorized to operate a

bulk petroleum products storage and distribution facility

located at

502 Hill Street, Chesapeake, Virginia

in accordance with the Conditions of this permit.

Approved on **February DRAFT, 2007.**

Francis L. Daniel

Permit consists of 9 pages.
Permit Conditions 1 to 25.

INTRODUCTION

1. This permit approval is based on the permit application dated November 14, 2006, including supplemental information dated July 27, 2006 and August 14, 2006. Any changes in the permit application specifications or any existing facilities which alter the impact of the facility on air quality may require a permit. Failure to obtain such a permit prior to construction may result in enforcement action.

Words or terms used in this permit shall have meanings as provided in 9 VAC 5-10-10 of the State Air Pollution Control Board Regulations for the Control and Abatement of Air Pollution. The regulatory reference or authority for each condition is listed in parentheses () after each condition.

Annual requirements to fulfill legal obligations to maintain current stationary source emissions data will necessitate a prompt response by the permittee to requests by the DEQ or the Board for information to include, as appropriate: process and production data; changes in control equipment; and operating schedules. Such requests for information from the DEQ will either be in writing or by personal contact.

The availability of information submitted to the DEQ or the Board will be governed by applicable provisions of the Freedom of Information Act, §§ 2.2-3700 through 2.2-3714 of the Code of Virginia, § 10.1-1314 (addressing information provided to the Board) of the Code of Virginia, and 9 VAC 5-170-60 of the State Air Pollution Control Board Regulations. Information provided to federal officials is subject to appropriate federal law and regulations governing confidentiality of such information.

PROCESS REQUIREMENTS

2. **Equipment List** - Equipment at this facility consists of the following:

Equipment permitted prior to the date of this permit				
Ref. No.	Equipment Description	Rated Capacity	Federal Requirements	Original Permit Date
1	Gasoline (RVP 10) or Transmix	4,032,000 gallons		August 26, 1996
2	Gasoline (RVP 10) or Transmix	2,688,000 gallons		August 26, 1996
3	Gasoline (RVP 10) or Transmix	2,688,000 gallons		August 26, 1996
7	Gasoline (RVP 10) or Transmix	1,260,000 gallons		August 26, 1996
9	Gasoline (RVP 10) or Transmix	420,000 gallons		August 26, 1996
10	Gasoline (RVP 10) or Transmix	4,032,000 gallons		August 26, 1996
12	Gasoline (RVP 10) or Transmix	1,890,000 gallons	NSPS Subpart Ka	February XX. 2007
15	Gasoline (RVP 10) or Transmix	1,890,000 gallons	NSPS Subpart Ka	February XX. 2007
4	Fuel Oil	2,688,000 gallons		August 26, 1996
5	Fuel Oil	2,688,000 gallons		August 26, 1996
6	Fuel Oil	1,260,000 gallons		August 26, 1996
8	Fuel Oil	420,000 gallons		August 26, 1996
11	Fuel Oil	4,853,000 gallons		August 26, 1996
13	Fuel Oil	1,890,000 gallons		February XX. 2007
14	Fuel Oil	1,890,000 gallons		February XX. 2007
101	Fuel Oil	3,903,000 gallons		January 24, 1997

102	Fuel Oil	2,233,000 gallons		January 24, 1997
E01	Denatured Ethanol	18,784 gallons		February XX. 2007
E02	Denatured Ethanol	18,784 gallons		February XX. 2007
E03	Denatured Ethanol	18,784 gallons		February XX. 2007
AD-01	Gasoline Additive	8,000 gallons		August 26, 1996
AD-02	Gasoline Additive	9,890 gallons		February XX. 2007
AD-03	Gasoline Additive	11,658 gallons		February XX. 2007
AD-04	Gasoline Additive	11,658 gallons		February XX. 2007
LR-01	4-Lane Loading Rack (Gasoline, Transmix, Ethanol, Additive, Fuel oil)	360,000 gallons/hr (gasoline, transmix, ethanol, additive) 60,000 gallons/hr (fuel oil)		August 26, 1996
ML-01	Marine Loading (Fuel oil)	168,000 gallons/hr		February XX. 2007

Specifications included in the permit under this Condition are for informational purposes only and do not form enforceable terms or conditions of the permit.
 (9 VAC 5-80-850)

3. **Emission Controls** – Volatile Organic Compound (VOC) and Hazardous Air Pollutant (HAP) emissions from the tanks shall be controlled by the following roof systems:

Tank(s)	Tank Type / Roof Type
Tanks 1 and 10	External floating roof; riveted deck; geodesic dome; mechanical shoe primary seal; rim-mounted secondary seal
Tanks 2, 3, 7, 9, 12, and 15	Internal floating roof; riveted deck; vapor-mounted primary seal; rim-mounted secondary seal
Tanks 4, 5, 6, 8, 11, 13, 14, 101, 102, E01, E02, E03, AD-02, AD-03, and AD-04	Vertical fixed roof
Tank AD-01	Horizontal fixed roof

Tank roof systems which would result in equal or lower hourly and annual emissions under identical storage conditions may be utilized in the tanks in lieu of the specifically permitted system. The permittee shall furnish written notification of any proposed change in the specific roof system to the Director, Tidewater Regional Office. This notification shall include:

- a. Tank number;
- b. Permitted roof system;
- c. Proposed roof system; and
- d. Calculations demonstrating the proposed roof system will result in equal or lower hourly and annual emissions than the permitted system under identical conditions.

(9 VAC 5-80-850 and 9 VAC 5-50-260)

4. **Emission Controls** – All tanks except Tanks 12 and 15 shall comply with 9 VAC 5 Chapter 40, Part II, Article 37, as applicable. Tanks 12 and 15 shall comply with the requirements of 40 CFR 60 Subparts A and Ka, as applicable. All storage tanks shall be provided with adequate access for inspection.

(9 VAC 5-80-850, 9 VAC 5-50-260, 9 VAC 5-50-410, and 9 VAC 5-40-5220)

5. **Emission Controls** – Volatile Organic Compound (VOC) emissions from the truck loading rack (except fuel oil loading) shall be controlled by a vapor collection and enclosed vapor combustion unit (VCU). The emissions to the atmosphere from the VCU stack shall not exceed 20.2 milligrams of VOC per liter of gasoline loaded
(9 VAC 5-80-850 and 9 VAC 5-40-5220 C)

OPERATING LIMITATIONS

6. **Product Storage** – The permittee is authorized to store gasoline, transmix, fuel oil, denatured ethanol, and gasoline additive in the bulk storage tanks as noted in Condition 2. A change in the products stored may require a permit to modify and operate.
(9 VAC 5-80-850)
7. **Product Transfer** – The permittee is authorized to transfer gasoline, gasoline mixed with additive, gasoline mixed with ethanol, additive, transmix, ethanol, and fuel oil at the truck loading rack. The permittee is authorized to transfer fuel oil at the marine loading area. A change in the products transferred/loaded may require a permit to modify and operate.
(9 VAC 5-80-850)
8. **Product Throughput** – The annual throughput of petroleum products at the bulk terminal shall not exceed the limitations specified below, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months. The storage tank throughput includes tank-to-tank transfers.

	Storage Tanks (gal/yr)	Loading Rack (gal/yr)
Gasoline or Transmix, combined	365,000,000	365,000,000 (truck loading) (gasoline, transmix, ethanol, and additive, combined)
Denatured Ethanol	36,500,000	
Additive	400,000	
Fuel Oil	325,000,000	325,000,000 (truck and marine loading, combined)

(9 VAC 5-80-850)

9. **Enclosed Flare Operation** – The approved fuel for the vapor collection and enclosed combustion system (VCU) is propane. A change in the fuel may require a permit to modify and operate.
(9 VAC 5-80-850)
10. **Fuel Throughput** – The annual throughput of propane for the VCU shall not exceed 24,000 gallons per calendar year.
(9 VAC 5-80-850)

11. **Requirements by Reference** - Except where this permit is more restrictive than the applicable requirement, the NSPS equipment as described in Condition 2 shall be operated in compliance with the requirements of 40 CFR 60, Subpart A and Subpart Ka.
(9 VAC 5-80-850, 9 VAC 5-50-400, and 9 VAC 5-50-410)

EMISSION LIMITS

12. **Volatile Organic Compound Emission Limits** – Volatile Organic Compound emissions from the operation of the bulk petroleum products facility shall not exceed the limits specified below:

Gasoline and Transmix Storage (combined)	24.6 lbs/hr	28.7 tons/yr
Fuel Oil Storage	7.1 lbs/hr	5.0 tons/yr
Denatured Ethanol Storage	23.3 lbs/hr	4.0 tons/yr
Gasoline Truck Loading (loading rack)	99.6 lbs/hr	50.5 tons/yr
Fuel Oil Loading (truck or marine)	3.2 lbs/hr	6.0 tons/yr
Fugitives (not including truck loading)	0.2 lb/hr	0.8 ton/yr
Total, Facility-Wide (including additive emissions)		94.9 tons/yr

These emissions are derived from the estimated overall emission contribution from operating limits. Exceedance of the operating limits may be considered credible evidence of the exceedance of emission limits. Compliance with these emission limits may be determined as stated in Condition numbers 3, 5, 6, 7, and 8.
(9 VAC 5-80-850 and 9 VAC 5-50-260)

13. **Hazardous Air Pollutant Emission Limits** – Hazardous Air Pollutant emissions from the operation of the bulk petroleum products facility shall not exceed the limits specified below:

Benzene (CAS 71-43-2)	1.2 lbs/hr	0.8 ton/yr
Ethylbenzene (CAS 100-41-4)	0.8 lb/hr	0.4 ton/yr
Toluene (CAS 108-88-3)	2.3 lbs/hr	1.3 tons/yr
Xylene (CAS 1330-20-7)	1.5 lbs/hr	0.7 ton/yr
Hexane (CAS 110-54-3)	4.7 lbs/hr	2.2 tons/yr
Total, Facility-Wide		5.4 tons/yr

These emissions are derived from the estimated overall emission contribution from operating limits. Exceedance of the operating limits may be considered credible evidence of the exceedance of emission limits. Compliance with these emission limits may be determined as stated in Condition numbers 3, 5, 6, 7, and 8.
(9 VAC 5-80-850 and 9 VAC 5-50-260)

14. **Vapor Combustion Unit (VCU) Emission Limits** – Emissions from the operation of the VCU shall not exceed the limits specified below:

Nitrogen Oxides (as NO ₂)	12.0 lbs/hr	6.1 tons/yr
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These emissions are derived from the estimated overall emission contribution from operating limits. Exceedance of the operating limits may be considered credible evidence of the exceedance of emission limits. Compliance with these emission limits may be determined as stated in Condition numbers 8, 9, and 10.
(9 VAC 5-80-850)

15. **Visible Emission Limit** - Visible emissions from the vapor collection and enclosed combustion system (VCU) shall not exceed twenty (20) percent opacity except during one six-minute period in any one hour in which visible emissions shall not exceed sixty (60) percent opacity as determined by the EPA Method 9 (reference 40 CFR 60, Appendix A). This condition applies at all times except during startup, shutdown, and malfunction.
(9 VAC 5-80-850)
16. **Boiler Storage** – The boiler shall remain disconnected and set up in storage. Reactivation of this unit may require a permit.
(9 VAC 5-80-850)

RECORDS

17. **On Site Records** - The permittee shall maintain records of emission data and operating parameters as necessary to demonstrate compliance with this permit. The content and format of such records shall be arranged with the Director, Tidewater Regional Office. These records shall include, but are not limited to:
- Records including, but not limited to, the products stored in each NSPS Ka tank (Tanks 12 and 15), the periods of storage, and the maximum true vapor pressure of each stored product during its respective storage period(s), as required by NSPS Subpart Ka, Section 60.115(a).
 - Annual throughput of each product, as required by Condition 8.
 - Records of the products stored in each tank (gasoline, ethanol, additive, or fuel oil), and the period of storage.

- d. Records demonstrating compliance with 9 VAC 5, Chapter 40, Part II, Article 37, including the VOC standard to which each applicable tank is subject, and the method under 9 VAC 5-40-5230 used to meet the applicable standard, or alternate control demonstration.
- e. Tank inspection reports.
- f. Scheduled and unscheduled maintenance for all permitted equipment, including the enclosed flare, and operator training.

These records shall be available for inspection by the DEQ and shall be current for the most recent five years.

(9 VAC 5-80-850 and 9 VAC 5-50-50)

18. **Emission Testing** - The facility shall be constructed so as to allow for emissions testing upon reasonable notice at any time, using appropriate methods. Sampling ports shall be provided when requested at the appropriate locations and safe sampling platforms and access shall be provided.

(9 VAC 5-80-880 and 9 VAC 5-80-850)

GENERAL CONDITIONS

19. **Right of Entry** - The permittee shall allow authorized local, state, and federal representatives, upon the presentation of credentials:

- a. To enter upon the permittee's premises on which the facility is located or in which any records are required to be kept under the terms and conditions of this permit;
- b. To have access to and copy at reasonable times any records required to be kept under the terms and conditions of this permit or the State Air Pollution Control Board Regulations;
- c. To inspect at reasonable times any facility, equipment, or process subject to the terms and conditions of this permit or the State Air Pollution Control Board Regulations; and
- d. To sample or test at reasonable times.

For purposes of this condition, the time for inspection shall be deemed reasonable during regular business hours or whenever the facility is in operation. Nothing contained herein shall make an inspection time unreasonable during an emergency.

(9 VAC 5-170-130 and 9 VAC 5-80-850)

20. **Notification for Facility or Control Equipment Malfunction** - The permittee shall furnish notification to the Director, Tidewater Regional Office of malfunctions of the affected facility or related air pollution control equipment that may cause excess emissions for more than one hour, by facsimile transmission, telephone, or telegraph. Such notification shall be made as soon as practicable but no later than four daytime business hours after the malfunction is discovered. The permittee shall provide a written statement giving all pertinent facts, including the estimated duration of the breakdown, within two weeks of discovery of the malfunction. When the condition causing the failure or malfunction has been corrected and the equipment is again in operation, the permittee shall notify the Director, Tidewater Regional Office in writing.
(9 VAC 5-20-180 C and 9 VAC 5-80-850)
21. **Violation of Ambient Air Quality Standard** - The permittee shall, upon request of the DEQ, reduce the level of operation or shut down a facility, as necessary to avoid violating any primary ambient air quality standard and shall not return to normal operation until such time as the ambient air quality standard will not be violated.
(9 VAC 5-20-180 I and 9 VAC 5-80-850)
22. **Maintenance/Operating Procedures** – At all times, including periods of start-up, shutdown, and malfunction, the permittee shall, to the extent practicable, maintain and operate the affected source, including associated air pollution control equipment, in a manner consistent with good air pollution control practices for minimizing emissions. The permittee shall take the following measures in order to minimize the duration and frequency of excess emissions, with respect to air pollution control equipment and process equipment which affect such emissions:
- a. Develop a maintenance schedule and maintain records of all scheduled and non-scheduled maintenance.
 - b. Maintain an inventory of spare parts.
 - c. Have available written operating procedures for equipment. These procedures shall be based on the manufacturer's recommendations, at a minimum.
 - d. Train operators in the proper operation of all such equipment and familiarize the operators with the written operating procedures, prior to their first operation of such equipment. The permittee shall maintain records of the training provided including the names of trainees, the date of training and the nature of the training.
- Records of maintenance and training shall be maintained on site for a period of five years and shall be made available to DEQ personnel upon request.
(9 VAC 5-50-20 E and 9 VAC 5-80-850)
23. **Permit Suspension/Revocation** - This permit may be revoked if the permittee:
- a. Knowingly makes material misstatements in the permit application or any amendments to it;
 - b. Fails to comply with the terms or conditions of this permit;
 - c. Fails to comply with any emission standards applicable to a permitted emissions unit;

- d. Causes emissions from this facility which result in violations of, or interferes with the attainment and maintenance of, any ambient air quality standard;
- e. Fails to operate this facility in conformance with any applicable control strategy, including any emission standards or emission limitations, in the State Implementation Plan in effect at the time that an application for this permit is submitted; or
- f. Fails to comply with the applicable provisions of Articles 6, 8 and 9 of 9 VAC 5 Chapter 80.

(9 VAC 5-80-1010)

24. **Change of Ownership** - In the case of a transfer of ownership of a stationary source, the new owner shall abide by any current permit issued to the previous owner. The new owner shall notify the Director, Tidewater Regional Office of the change of ownership within 30 days of the transfer.

(9 VAC 5-80-940)

25. **Permit Copy** - The permittee shall keep a copy of this permit on the premises of the facility to which it applies.

(9 VAC 5-80-860 D)

